

~~SECRET~~

## INTERNATIONAL ORGANIZATIONS GROUP

## WEEKLY SUMMARY NO. 8

For week ending 22 February 1949

Volume II

## The International Week

Dutch compliance "in principle" with the Security Council's latest Indonesian resolution is unlikely to satisfy Republican demands emanating from the 28 January resolution and thus break the existing deadlock. Soviet withdrawal from the World Health Organization is not expected to alter materially the present Soviet attitude toward participation in the UN itself. US-UK-French opposition to the appointment of even a British nominee as Governor of the Free Territory of Trieste will probably not deter the USSR from again pressing for a settlement. The OEEC Council decided to strengthen OEEC by appointing an eight-nation Executive Committee of finance ministers to direct its work. Meanwhile, the ECE Trade Committee took concrete steps toward promoting East-West trade.

- 6 -

A Rhodes talks successful. Following six weeks of seesawing negotiation in which both Egyptians and Israelis jockeyed for position, the Rhodes talks appear on the verge of success. The effect of Egypt's trouncing, combined with the deep war-weariness of Israel, has apparently enabled Acting Mediator Bunche to put across an armistice. Beneath the surface cockiness of the Israelis lies the fact that their manpower loss during the recent conflict has been greater than is generally realized, particularly in the youth category. Inasmuch as mounting difficulties are being experienced in arranging emigration of youthful, as opposed to aged, Jews from Eastern Europe, Israel is acutely conscious of the effect of prolonged hostilities on her population makeup as well as on the nation's economic resources. The matters in dispute at Rhodes have largely boiled down to Beersheba -- a strong point geographically of greater concern to Transjordan than to Egypt. The recent exchange between Israel and Transjordan of over 5,000 PWs indicates that as a practical matter the war between these states is at an end. Should Israel be able to settle immediate differences with Egypt and Transjordan, the remaining Arab states could be expected to fall in line. Thus, while de jure peace may be a long way off, de facto military stabilization seems close at hand. This should give the US and the UK an opportunity to foster political and economic cooperation between Islam and Israel and so reduce the long term causes of friction in the Middle East.

DOCUMENT NO. 8  
NO CHANGE IN CLASS. ☐  
☒ DECLASSIFIED  
CLASS. CHANGED TO: TS S C  
NEXT REVIEW DATE: \_\_\_\_\_  
AUTH: 100-2  
DATE: 3 Oct 79 REVIEWER: 006514

~~SECRET~~

~~SECRET~~

British labor withholds support from Indian-sponsored Asian labor federation. The apparent unwillingness of the British Trades Union Congress to back efforts of the India National Trade Union Congress (INTUC) to organize an anti-Communist Asian labor federation is reflected in its reported refusal to attend the May Asian labor conference at Indore. This reluctance is probably induced by disinclination to support the Government-sponsored INTUC, which UK labor leaders regard as something less than a bona fide trade union movement, and unwillingness to move in this area until the international trade union situation is clarified. INTUC efforts to form an Asian labor federation (incorporating unions from India, Australia, China, Burma, the Philippines, Indonesia and Iran) will be further embarrassed should the current AFL-CIO international rivalry result in the absence of any US labor representative at the Indore conference. This lack of concerted Western trade union support for the nascent Asian Labor Federation is likely to persist until the US and UK organizations resolve the differences currently delaying the establishment of a Western-oriented world labor federation. Should the Western trade unions fail to extend prompt support to non-Communist Asian labor, the WFTU, increasingly active in this area, can be expected to carry on its organizing drive in Southeast Asia without serious opposition.

- 10 -

WFDY orders "total mobilization" of colonial youth movements. An accelerated drive by the Communist-directed World Federation of Democratic Youth to extend Communist influence in colonial and dependent areas is under way. The scope of this WFDY drive is indicated by its (1) promotion of efforts by the Indian All-Union Student Federation to train "combatants" to participate in strikes against the "collaborators" governing India; (2) preparation of a pamphlet on "penetration of American imperialism in India" for Indian consumption; and (3) special instructions to national youth organization affiliates to celebrate 21 February as a "Day of International Solidarity with Youth Fighting Colonialism." In these instructions the WFDY calls upon its component organizations to deal "a formidable blow" against imperialist forces in the colonial areas. The current organizing drive by the World Federation and by the International Union of Students (IUS), which together claim a membership of seven millions in Southeast Asia, probably reflects Soviet determination to reinforce the similar drive it has recently launched to control Asian labor.

- 11 -

Western propaganda offensive in ECOSOC. In the Economic and Social Council last week the West probed an extremely sensitive spot in Soviet armor -- forced labor. The ineffective frenzy of the reply illustrates the sensitivity of the Soviet bloc to investigations of conditions behind the Iron Curtain and points up the potentialities of this line of approach for exposing to world public opinion the cynical and oppressive nature of the Soviet system. The vitriolic retort consisted of lengthy counter-

- 12 -

~~SECRET~~

~~SECRET~~

accusations of capitalistic labor exploitation rather than a refutation of Western charges that millions of persons are subjected to inhumane treatment in Soviet slave labor camps. This first heavy offensive by the West against the USSR on the social and labor plane has hit its mark and any follow-up of this line of attack will produce intensified Soviet reactions centered about attacks on alleged unequal treatment of Negroes in the US and exploitation of native labor in colonial areas.

World Congress of Intellectuals steps up plans for national peace congresses. Recent moves by the International Liaison Bureau of Intellectuals for Peace, the Paris secretariat of the Soviet-oriented World Congress of Intellectuals, demonstrate Soviet determination to make the fullest possible use of this organization as a means of uniting "democratic forces in every country" behind its "peace offensive." The Bureau has scheduled national peace congresses in the US (25 March), France (April), the UK (September), Rumania, Mexico and Italy. The importance which the USSR attaches to these congresses has been further indicated by the Soviet representative's promise of support for "all initiatives aimed at peace, whatever their origin" and by a decision to enlarge the Bureau beyond its present membership of twenty-five delegates representing forty-five countries. Although the congresses are usually initiated by national committees of the movement (the US conference, to be attended by a Soviet delegation including Dmitri Shostakovich, will be nominally convened by the National Council of the Arts, Sciences and Professions), the agenda and timing of these meetings are coordinated with the International Liaison Bureau.

Current role of ECE. Recent developments in the Economic Commission for Europe indicate that in addition to its early function as a mechanism for economic cooperation (chiefly between the Western European countries), ECE is becoming a forum for increasing Soviet bloc propaganda attacks against the West's restrictive trade policies and the site for East-West trade negotiations to meet the needs of both sides of the Iron Curtain. ECE has recently been the scene of a chorus of Soviet-Satellite complaints against Western discrimination on scrap allocations, restitution of rolling stock and general trade with the Soviet bloc. On the other hand, the USSR and its Satellites, with a developing need for Western machinery and other products and conscious of their failure to defeat the ERP, see in ECE an ideal mechanism for promoting essential trade. By using ECE, the Soviets can say that they, in contrast to the US, are not bypassing the UN in European economic matters. They can also expect a consistently friendly reception from the ECE Secretariat which is anxious to coordinate European economic efforts. The decision of the recent ECE Ad Hoc Trade Committee meeting to ask both Eastern and Western blocs to draw up lists of import needs reflects the desire of both sides to increase trade with each other.

3 -

~~SECRET~~

~~SECRET~~

Pressure for a Mediterranean Pact. Recent indications that Turkey, Greece and other Levant states are interested in some counterpart of the Atlantic Pact for the Mediterranean are likely the forerunners of growing pressure for such an arrangement. Greece and Turkey in particular, already recipients of US aid, are concerned lest their exclusion from the prospective Atlantic Pact means a slackening of US interest in the Eastern Mediterranean. They are unlikely to be satisfied by any US-UK assurances of continued backing and will increasingly seek some method of tying themselves to any Atlantic security arrangement or at least of getting US-UK participation in a regional bloc of their own. The Arab states and Iran, too, have recently shown greater interest in closer security ties with the US and UK. Moreover, some prospective Atlantic Pact members have seen in a Mediterranean Pact a means of including Italy in some regional security arrangement involving US backing, without themselves being committed to defend Italy. Any efforts to conclude a Mediterranean Pact, however, would probably run up against strong Soviet opposition. The USSR would be in a position to exert much more pressure on certain of the relatively weak Levant states and Iran than on Western Europe. Moreover, the USSR might well feel that a Mediterranean bloc, added to an Atlantic Pact, was real "capitalist encirclement" calling for the strongest countermeasures.

OEEC strengthened. The recent decision of the OEEC Council to establish an Executive Committee of ministerial rank representatives from eight key ERP nations should result in much greater combined planning and coordination of the ERP economies. The Committee, which is to meet at least quarterly, will be able to take more binding decisions than could the subordinate national representatives attending previous OEEC meetings. The recent OEEC interim report on the four-year program clearly indicated the necessity of much closer coordination of country programs if the prospective three billion dollar deficit in 1952 is to be reduced to manageable proportions. One major problem will be to remove the inconsistencies between the various country programs, some of which contemplate more exports to other countries than these plan on taking and which include much duplication of facilities in such critical areas as textiles and steel. Results to date from the intra-European payments system have also been disappointing and a much greater degree of trade stimulation appears required. The new Executive Committee should provide a means of dealing more vigorously with these key problems.

- 4 -

~~SECRET~~